Final Statement of Reasons

Forest Legacy Program Procedures, 2011

[Adopted April 6, 2011]

Title 14, Chapter 9.9, Articles 1-7 of the California Code of Regulations (14 CCR):

<u>Adopt</u>

- § 1570 Purpose of Guidelines
- § 1571 Definitions
- § 1572 Eligibility Criteria
- § 1572.1 Eligible Costs.
- § 1572.2 Ineligible Costs
- § 1573 Applications and Content
- § 1573.1 Applications Review
- § 1573.2 Disapproval of Application
- § 1573.3 Priority Ranking of Accepted Applications
- § 1573.4 Availability of Federal Funds
- § 1573.5 Availability of State Funds
- § 1573.6 Non-funded Applications
- § 1574 Conservation easement Criteria
- § 1575 Funded Applications
- § 1575.1 Responsibilities of the Department
- § 1575.2 Landowner Responsibilities
- § 1575.3 Disbursement of Funds
- § 1576 Responsibilities for Monitoring

<u>UPDATED INFORMATION: OVERVIEW OF FINAL ADOPTED REGULATORY</u> ACTION

On April 6, 2011, the State Board of Forestry and Fire Protection adopted a regulation required by the California Forest Legacy Program Act of 2000, as contained in Section 12200-12292 of the Public Resources Code. The statutes and regulations establish a program for securing conservation easements for private forest lands. The adopted regulations establish parameters and disclosure requirements for a parcel's eligibility for the program, eligible costs, documentation requirements, project ranking criteria, and program responsibility of the Department and landowner necessary for acquiring the conservation easement. The regulations contains an application form that is incorporated by reference. The application is incorporated by reference because its length would be excessive for publishing in the California Code of Regulations.

Findings

- The Board finds the adopted regulation meets the requirements of PRC 12249 for the implementation of Forest Legacy Program, and includes the standards, criteria, and requirements necessary for acquiring conservation easements.
- The Board finds the adopted regulations give project ranking priority to conservation easements that emphasize "working forests and rangelands". This includes projects that have: timber harvesting for economic purposes, forage cover that is utilized for commercial grazing operations, production of forest products on a regular basis, fewer limitations or exclusions to commercial timber harvesting or rangeland forage grazing, restocking of underutilized forests and rangelands, and high site productivity for timber or livestock grazing forage.
- As part of the adoption action, the Board directed staff to not adopt noticed regulatory language related to the term "Heritage Trees". The term is found in Section 1571 Definitions and in Section 14 CCR 1573 .3 (g) Priority Ranking of Accepted Applications. The term was used as a criteria to rank accepted applications. The Board found usage of the term was not required by statute and nothing in the regulation or statutes prohibits a landowner from including trees in a conservation easement for the Forest Legacy Program which would have met the definition of "Heritage Trees". The Board finds there was minor public comment regarding the term and the term is not an intrinsic part of the whole regulation such that the public might have supported the regulations with the definition but not supported them without it. The removal of the term does not materially change the effect of the regulations on the affected public.

ALTERNATIVES TO THE REGULATION CONSIDERED BY THE BOARD AND THE BOARD'S REASONS FOR REJECTING THOSE ALTERNATIVES

The Board has considered several alternatives to the adopted regulation.

Alternative 1: The no rule alternative would result in failing to carry out the mandate of the legislature. This alternative was rejected because it would result in the loss of the Program or inability to utilize funding allocated to the Program.

Alternative 2: The less prescriptive alternative would keep rules to a minimum with no criteria for the conservation easements. This alternative was rejected because it failed to provide the guidance needed to operate the program in a manner consistent with the needs of the state or give a emphasis to projects which highly emphasize "working forests and rangelands"

Alternative 3: The more prescriptive alternative would provide for a very rigid set of requirements in the conservation easements. This alternative was rejected

because it failed to provide the flexibility needed to apply the program to the various types of lands that could be eligible for the program.

POSSIBLE SIGNIFICANT ADVERSE ENVIRONMENTAL EFFECTS AND MITIGATIONS

The Board has considered adverse environmental effects from the proposed action. Consideration of environmental effects was conducted to meet California Environmental Quality Act (CEQA) requirements.

Acquisition of a conservation easement pursuant to the regulation through the State and Federal Forest Legacy Programs will protect areas from the encroachment of residential and vineyard development pressures throughout the state. Projects implemented through the Program often provide significant wildlife habitat for several threatened and special-concern species. This protection will allow continued traditional forestry, ranching, and hunting activities while affording public recreational and educational opportunities.

The Board has concluded that no significant adverse environmental impacts would occur as a result of the regulatory action to aesthetics, agriculture, forestland/timberland, air quality, biological resources, cultural resources, geology, soils, greenhouse gas emissions, hazardous materials, water quality, land use planning, mineral resources, noise, population and housing, public services, recreation, transportation/traffic, or to utilities and service systems. The adopted regulations are solely administrative/procedural regulations for a program that protects natural resources from adverse environmental effects of conversion of forests or rangelands to other uses such as agricultural and development. Any actions in subsequent easements awarded pursuant to the adopted regulations that could result in adverse environmental effects are required to comply with CEQA and would include disclosures and mitigation of activities which could affect the environment.

This project fits under three classes of Categorical Exemptions to CEQA: Class 17 (Open Space Contracts or Easements), Class 25 (Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources), and 14 CCR. § 1153 (b) Actions by a Regulatory Agency for the Protection of Natural Resources. A Notice of Exemption was filed for the project and is attached to the FSOR as Attachment A.

ALTERNATIVES CONSIDERED TO THE PROPOSED REGULATORY ACTION THAT WOULD BE AS EFFECTIVE AND LESS BURDENSOME TO AFFECTED PRIVATE PERSONS

Pursuant to GC section 11346.9(a)(4), the Board has determined that no other alternative it considered would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT ADVERSE ECONOMIC IMPACT ON ANY BUSINESS

The Board staff estimated the regulation will not have any adverse economic impact on any business. The Program is voluntary and each landowner decides whether the Program is in their best economic interest. Conservation easements generally have an immediate economic benefit to landowners because they are reimbursed for the forgone development value. If an easement is granted in perpetuity as a charitable gift, some federal income and estate tax advantages usually accrue. These tax savings may be substantial, and are often cited as a major factor in landowners' decisions to donate easements.

Fiscal impacts could result to local governments because of the reduced tax basis of the land (value of the land) resulting from development limitation placed on the land via the easement. This consequence is a result of the underlying Program statutes. The proposed regulation does not affect taxation consequences of projects beyond the underlying statutes and therefore does not result in local tax revenue implication.

The property tax losses to local government are not estimated because each property has differing values that are retained or forgone as part of the conversation easement.

ADDITIONAL RELEVANT DOCUMENTS RELIED UPON

The following additional documents were provided for the Board's consideration during the rulemaking process to supplement previous information submitted to the Board and referenced in the *Initial Statement of Reasons:*

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DISCLOSURES REGARDING THE PROPOSED ACTION

The Board has determined the proposed action will have the following effects:

- Mandate on local agencies and school districts: None are known.
- Costs or savings to any State agency: None are known.
- Cost to any local agency or school district which must be reimbursed in accordance with the applicable Government Code (GC) sections commencing with GC 17500: None are known.
- Other non-discretionary cost or savings imposed upon local agencies: None are known.

- Cost or savings in federal funding to the State: None are known.
- Significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None are known.
- Potential cost impact on private persons or directly affected businesses: The
 Board is not aware of any cost impacts that a representative private person or
 business would necessarily incur in reasonable compliance with the proposed
 action. The Forest Legacy Program is voluntary and each landowner decides
 whether the Program is in their best economic interest. Conservation
 easements generally have an immediate economic benefit to landowners in
 that they are reimbursed for the forgone development value.
- Effect on small business: None. The Board has determined that the proposed amendments will not affect small business. The Forest Legacy Program is voluntary and each landowner decides whether the Program is in their best economic interest.
- Significant effect on housing costs: None are known.
- Adoption of these regulations will not: (1) create or eliminate jobs within California; (2) create new businesses or eliminate existing businesses within California; or (3) affect the expansion of businesses currently doing business within California.
- The proposed rules do not conflict with, or duplicate Federal regulations.

<u>Pursuant to Government Code § 11346.2(b)(5)</u>: To avoid unnecessary duplication or conflicts with federal regulations addressing the same issues as those addressed under the proposed regulation revisions listed in this *Statement of Reasons*; the Board directed the staff to review the Code of Federal Regulations. The Board staff reviewed the Code of Federal Regulations and determined that no unnecessary duplication or conflict exists.

SUMMARY OF LAWS RELATING TO THE REGULATION

The adopted regulations were mandated and authorized by the California Forest Legacy Program Act of 2000 pursuant to Section 12200-12292 of the Public Resources Code (PRC). Specifically section 12249 of the PRC establishes authority for the Board to adopt regulations for the program. Funding for the Program is supplied by the federal Forest Legacy Program, which was created with clearly delineated open-space conservation goals and objectives to protect environmentally important private forest lands threatened with conversion to nonforest uses pursuant to Section 1217 of Title XII of the Food, Agriculture, Conservation and Trade Act of 1990 (16 U.S.C. Section 2103C).

PUBLIC WRITTEN COMMENTS AND RESPONSE

Comment L 1-1, C.Ciancio

"My experiences have shown there are costs associated with application of conservation easements some of which I have explained in my provided information and which I see as missing in the information I have received."

BOF response:

The California Forest Legacy Program Act of 2000 stated at the time it passed that there were costs associated with its implementation. These proposed regulations are required by the Act, and result in no additional costs. In the past, landowners have made a donation to a local land trust for purposes of monitoring the easement. The land trust and the Department of Forestry and Fire Protection (CAL FIRE) enter into an Memorandum of Understanding (MOU) that spells out the monitoring duties and reports that must be done in order to satisfy the funding sources and federal and state laws. Since these are working forest conservation easements and given that the Department is required to regulate timber harvest anyway, no additional cost to the Department results from the conservation easement. Note: federal law does not allow paying for monitoring costs out of the federal grants.

Rule Text Edit: no

Comment L1-2

"Many have the accepted belief that conservation easements provide for a continuous working forest. While this may or may not occur, the working arrangement under conservation easements are not made simple and can be very confusing and undefined."

BOF response: The Board agrees that arrangement, and terms and conditions of conservation easements are complex. Staff's experience in assisting in developing, administering and monitoring conservation easements suggests that conservation easements should be kept as simple as possible. It is the Board's intent to adopt regulations that clearly identify both Department and applicant requirements for the submission and implementation of conservation easements under the Forest legacy Program to help reduce the complexity of conservation easements.

"In the case of legacy arrangements some specific regulation will be applied, but as outlined in the provide copies of pages (166-173, 244-245, 316-320) from my book, Rest In Peace Rural America, a conservation easement and the legacy arrangement can involve many things."

BOF response: This comment is not directly related to the proposed regulation but rather addresses conservation easements in general. The Board agrees a landowner must consider numerous issues prior to entering into a conservation easement.

Rule Text Edit: no

Comment L1-4

"In the current California regulatory environment, conservation easements provide a way for landowners to get some money, while getting out from under problematic regulatory situations and maybe resolve some ownership hurdles."

BOF response: This comment is not directly related to the proposed regulation but rather addresses conservation easements in general. The Board recognizes the easement process can resolve some ownership difficulties, such as rights and preferences of multiple heirs who want to subdivide the property for financial reason.

Rule Text Edit: no

Comment L1-5

"Routinely oversight and management decisions are relegated to more than one party, and future management costs are routinely required. The property ends-up with liens(s) of some kind, and future management costs may be covered by allowed use of resources, tax payer dollars, or donated money."

BOF response: This comment is not directly related to the proposed regulation but rather addresses conservation easements in general. It is not the intent of the California Forest Legacy Program or the adopted regulations to manage any conservation easements awarded by the Program. Typically all management decisions are made by the landowners.

"Impacts to local, rural communities varies. Land values will be affected, tax situations and revenues can be adversely affected, reduced use of full and proper use of resources can adversely affect local economies, and this country's dependence on foreign products will increase as less and less is produced in this country."

BOF response: This comment is not directly related to the proposed regulation but rather addresses conservation easements in general. The adopted regulatory procedures do not impose the commenter's suggested consequences on conservation easements.

The purpose of the California Forest Legacy Program, and to some extent the adopted procedural regulations, is to keep the land in production without unnecessary burdens to producing timber and other natural resource commodities.

Note that the regulations are specific in their support of continued production of resources:

§1574.1 Disbursements of funds

The Director shall not disburse any funds until the applicant agrees to the following:

- (a) That any conservation easement acquired shall be used by the applicant only for the purposes for which the funds were requested;
- (b) That the conservation easement contain the following minimum standards:
 - (i) Restrictions to timber management shall be limited to those that will continue to provide MSP.
 - (ii) That the property-wide purpose of the easement is to maintain the property's capacity for producing natural resources and supporting a range of associated economic activities including traditional uses such as agriculture, forestry, and recreation
- (c) the applicant agrees to restrict the use of the land in perpetuity;
- (d) that the Director shall find that any disposition of the easement is consistent with, and in furtherance of, the purposes of this division, that the recipient of the easement is qualified to monitor and enforce the easement, and that the conservation provisions of the easement remain in effect following the transfer

"I see provided write-up materials (economic impacts and other wise) not emphasizing the points I am making...Over the years I routinely see this same pattern of ignoring real world realities in justifications accompanying new regulatory proposals."

BOF response: The Board recognizes there are costs to landowners who enter into conservation easements. These include the economic impact of placing a conservation easement on property, which will reduce the land values by removing the development rights. Also there are cost of purchasing the conservation easements or paying for the "due-diligence" allowable for a donated easement. These are programmatic and statutory requirements and not a result of the proposed regulations.

The regulations do not impose an economic impact on landowners entering not these easements because the Program is voluntary and each landowner decides whether the Program is in their best economic interest. Conservation easements generally have an immediate economic benefit to landowners in that they are reimbursed for the forgone development value. Also, if an easement is granted in perpetuity as a charitable gift, some federal income and estate tax advantages usually accrue. These tax savings may be substantial, and are often cited as a major factor in landowners' decisions to donate easements.

Also see L1-1.

Finally, economic impacts to local economies due any forgone full economic utilization of the land for commodity production are expressly intended to be minimized. Several subsections support of continued production of resources:

§1574.1 Disbursements of funds

The Director shall not disburse any funds until the applicant agrees to the following:

- (e) That any conservation easement acquired shall be used by the applicant only for the purposes for which the funds were requested;
- (f) That the conservation easement contain the following minimum standards:
 - (i) Restrictions to timber management shall be limited to those that will continue to provide MSP.
 - (ii) That the property-wide purpose of the easement is to maintain the property's capacity for producing natural resources and supporting a range of associated economic activities including traditional uses such as agriculture, forestry, and recreation

"On many open space lands, the income producing capacity is reduced by conservation easements that underutilize, limit and stop use of natural resources."

BOF response: This comment is not directly related to the proposed regulation but rather addresses conservation easements in general. It is the purpose of the FLP in California to promote the continued use of the forested lands placed in the program. To the greatest extent possible, restrictions on the use of the property are kept to those required by law.

Also see L1-6 and L1-7.

Rule Text Edit: no

Comment L1-9

"Conservation easements have become a major player in reducing the amount of resources and open space land that contribute to the economic loss in rural communities. While resource use is allowed and landowners are provided a way to hold onto some rights restrictions and resource use are routinely applied. Easement restrictions can involve no-use buffer areas, below carrying capacity requirements on livestock, and restricting timber harvest levels to less than sustainable levels. Such restrictions on resource use results in reduced income producing capacity and a reduction of dollars in the local economy."

BOF response: This comment is not directly related to the proposed regulation but rather addresses conservation easements in general. While some conservation easements have limited commodity production, it has not been the policy of the California Forest Legacy Program nor the requirements in the adopted regulations to impose such restrictions. The intent of the program and in the procedural regulations is to keep important forested properties in production in order to continue to provide a healthy and robust local economy. When lands are taken out of production, often as a result of subdivision development, the timber infrastructure can be diminished. The adopted regulations do not require a landowner to place such limits on their properties.

Rule Text Edit: no

Comment L2-1 - 2-4

Adoption of the proposed state FLP rules will validate the successful, federally-funded conservation easement program for protecting working forests in our state most threatened by development or land use conversion.

Our organization is currently working with CAL FIRE and the state FLP on two working forest conservation easement projects totaling over 14,500 acres in

Humboldt County. A total of \$9.1 million of federal funding is already allocated for these projects; \$3.1 million has already been spent and the remaining funding is waiting to be spent. Approval of the proposed state FLP rules at this time is essential to the completion of these projects as well as others in our state.

To date, the FLP program has partnered with the state Wildlife Conservation Board (WCB) to protect thousands of acres of productive forestland in our state, utilizing federal funding as a significant match with state WCB funding. This working forest conservation easement project partnership has been a win-win for all involved, including the forest landowners, resource professionals that assist in the completion of these projects and the public that benefits from these critically important resource lands.

Currently our Land Trust has two FLP-funded projects that are on hold with WCB, waiting for the state FLP rules to become effective. Without swift adoption of these proposed rules, millions of dollars of current and future federal FLP grant monies are at risk of being rescinded and/or reallocated due to a determination that California funds are not being spent in a time efficient manner.

We strongly support the California Forest Legacy Program and recommend that the California Board of Forestry approve the proposed FLP rules package immediately.

BOF response: The Board adopted the regulation as proposed.

Rule Text Edit: no

Comment L3-1

The Trust for Public Land applauds the establishment of state regulations for the Forest Legacy program in California, which is a very important program supporting private forest production in California. The clear, concise list of qualifying data in Section 1573, ranking criteria in Subsection 1573.3 and conservation easement parameters in 1574 should yield more qualified projects and streamline the evaluation process substantially. We appreciate the Board's anticipation and potential acceptance of infrastructure supporting alternative energy sources on a site outlined in Section 1574.

BOF response: The Board adopted the regulation as proposed.

We might suggest that Section 1574(f) be modified to allow the severance of carbon or other ecosystem services rights upon sale of credits.

BOF response: Section 1574 (f) has a prohibition on severancing property rights of conservation easement properties, with exceptions. This provision essentially prohibits the right of a landowner to sell current or future carbon credits because legally it is considered a "property right". The Board finds the prohibition is not consistent with the goals and intents of the California Forest Legacy Program statutes which include providing financial support to encourage landowners to retain lands in a natural condition and not convert it to other land uses. Monetizing a property right (carbon) is consistent with the statutes of the FLPs. It is therefore an intent of the BOF's FLP rules to allow severance of property rights for certain ecosystem services, such as carbon credits, for purposes of providing economic benefits to the landowner while maintaining the land in a natural condition.

The Board intends to amend the regulation at a future date to incorporate this requirement. Currently the Board has to meet a critical time frame to preserve federal funding for the program and must have an approved regulation in place by the end of May 2011. Because of this constraint, the Board will direct staff to amend the adopted regulation in late 2011 following its approval under this action.

Rule Text Edit: no

Comment L4-1 Barbara Baxter

My family supports the Forest Legacy Program and the proposed rules for the program implementation in California

BOF response: The Board adopted a regulation.

Rule Text Edit: no

Comment L4-2

As you know the Federal Forest Legacy program grants expire five years after being granted, and therefore Baxter Ranch Forest Legacy program grant will expire on June 30, 2011, unless the monies are placed into escrow prior to that time. It is therefore imperative that the Board of Forestry and Fire Protection adopt the proposed Forest Legacy Program rules at its April 6, 2011, meeting so that the Baxter Ranch project and other pending California Forest Legacy Program projects can move forward in a timely manner.

BOF response: The Board adopted a regulation.

Rule Text Edit: no

Comment L4-3

We are confident that the proposed rules will promote the continued success of the Forest Legacy program in California and we fully support and encourage the Board to adopt these rules at the upcoming April meeting.

BOF response: The Board adopted a regulation.

Rule Text Edit: no

Comment L5-1 Carl Somers

Please don't hold up the process of getting the guidelines adopted on behalf of any proposed changes I have suggested. While we do think these are important additions to the guidelines and will make them more effective as time goes on, the issue is not so time sensitive that can't be handled someday in the near future when other adjustments and changes are also being implemented.

BOF response: The Board adopted a regulation.

Rule Text Edit: no

PUBLIC HEARING SPEAKER COMMENTS AND RESPONSE

Comment S1-1 Pete Ribar Campbell Timber Management

Supports adoption of regulations for the forest legacy program. Need to delete the definition of heritage trees. The term is being unnecessarily used in the rules because there is other similar terminology. For example in section, 1572 uses a similar term, "ecological old-growth forests". In addition, the application on page 2 and other published legacy documents refer to "ecological community connectivity" and late successional forest values. These terms are more related to criteria listed in the statute and can replace the term heritage trees. Further the Director has discretion to establish project priorities, as stated in section 1573.3, and could address old-growth, late seral or heritage trees if desired. This further makes the term unnecessary. We need to use consistent terminology addressing "forests" and not in individual trees.

BOF response: The Board adopted a regulation. As part of the adoption action, the Board directed staff to not adopt noticed regulatory language related to the term "Heritage Trees". The term is found in Section 1571 Definitions and in Section 14 CCR 1573 .3 (g) Priority Ranking of Accepted Applications. The term was used as a criteria to rank accepted applications. The Board found usage of

the term was not required by statute and nothing in the regulation or statutes prohibits a landowner from including trees in a conservation easement for the Forest Legacy Program which would have met the definition of "Heritage Trees". The Board finds there was minor public comment regarding the term nor is the term an intrinsic part of the whole regulation such that the public might have supported the regulations with the definition but not supported them without it. The removal of the term does not materially change the effect of the regulations on the affected public.

Rule Text Edit: Yes, not adopt noticed regulatory language related to the term "Heritage Trees" in Section 1571 Definitions and in Section 14 CCR 1573 .3 (g) Priority Ranking of Accepted Applications.

Comment S2-1 Paul Mason

Supports the rule and encourages the Board to adopt it. There are no critical flaws in the regulation and could use both terms because they could have different meanings. The regulation is not looking to take away people's heritage trees. Reminds the Board the program is voluntary and there are many terms used to rank project priority. Does not think inclusion of terms related to heritage trees or forest characteristics are critical or in any great conflict.

BOF response: See S1-1

Rule Text Edit: Yes, not adopt noticed regulatory language related to the term "Heritage Trees" in Section 1571 Definitions and in Section 14 CCR 1573 .3 (g) Priority Ranking of Accepted Applications.

Comment S2-2 Paul Mason

It is important to adopt the regulations in order to move forward with proposed conservation easement projects that are helping families address some intergenerational issues. It would be a shame if a minor wording conflict got in the way with moving forward with important conservation easement projects that address important financial issues to landowners.

BOF response: See S1-1

Rule Text Edit: Yes, not adopt noticed regulatory language related to the term "Heritage Trees" in Section 1571 Definitions and in Section 14 CCR 1573 .3 (g) Priority Ranking of Accepted Applications.

Comment S3-1 Mark Loveless, Humboldt County Board of Supervisors

Supports the rule and wants to move forward to get a project through in Humboldt County.

BOF response: The Board adopted a regulation.

Rule Text Edit: no

Attachment A: Notice of Exemption

PROJECT TITLE	Forest Legacy Program Procedures	
PROJECT LOCATION	Statewide privately owned forest and rangelands	County all
LEAD AGENCY	State Board of Forestry and Fire Protection	
CONTACT	Jeff Calvert, State Forest Legacy Program Coordinator I Resource Management	
Address	CAL FIRE P.O. Box 944246 Sacramento, CA 94244-2460	PHONE (916) 653-8286

PROJECT DESCRIPTION

The State Board of Forestry and Fire Protection adopted regulations for procedures for the California Forest Legacy Program (Program) administered by the California Department of Forestry and Fire Protection (Department). The regulations establish the Program for securing conservation easements for private forest and range lands. The adopted regulations establish parameters and disclosure requirements for a parcel's eligibility for the program, eligible costs, documentation requirements, project ranking criteria, and program responsibility of the Department and landowner necessary for acquiring the conservation easement. Conservation easements under this Program are for the purpose of protecting forest and range land uses, including wildlife habitat, watershed stabilization and the continued production of forest products.

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EXEN	IPTION STATUS			
	Categorical Exemption	Type/Section:	Class 17 Class 25	§15317 Open Space Contracts or Easements §15325 Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources 14 CCR § 1153 (b) Actions by a Regulatory Agency for the Protection of Natural Resources
	Statutory Exemption	n (state code		
	section):			
	Ministerial (§21080	(b)(1); 15268)		
	Declared Emergency	y (§21080(b)(3);	; 15269(a))	
	Emergency Project ((§21080(b)(4); 1	5269(b)(c))	

REASONS PROJECT IS EXEMPT

The action is an administrative/procedural regulation for a program that protects natural resources from adverse environmental effects of conversion of forests or rangelands to other uses such as agricultural crop land and development. The Board has concluded that no significant environmental impact would occur to aesthetics, agriculture and forestland/timberland, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use planning, mineral resources, noise, population and housing, public services, recreation, transportation/traffic, or to utilities and service systems. Documentation of the environmental review completed by the Board is kept on file at 1416 9th Street, Sacramento, ČA 95814, Room 1517. This project fits under three classes of Categorical Exemptions to CEQA: Class 17 (Open Space Contracts or Easements), Class 25 (Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources), and 14 CCR. § 1153 (b) Actions by a Regulatory Agency for the Protection of Natural Resources. Acquisition as a Conservation Easement pursuant to the regulation through the State and Federal Forest Legacy Programs will protect the area from the encroachment of residential and vineyard development pressures throughout the state. Projects implemented through the Program often provide significant wildlife habitat for several threatened and special-concern species. This protection will allow continued traditional forestry, ranching, and hunting activities while affording public recreational and educational opportunities. The adopted regulations were mandated and authorized by the California Forest Legacy Program Act of 2000, contained in Section 12200-12292 of the Public Resource Code. Additionally, funding for the Program is supplied by the federal Forest Legacy Program, which was created with clearly delineated open-space conservation goals and objectives to protect environmentally important private forest lands threatened with conversion to nonforest uses pursuant to Section 1217 of Title XII of the Food, Agriculture, Conservation and Trade Act of 1990 (16 U.S.C. Section 2103C).

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George Gentry, Executive Officer Date State Board of Forestry and Fire Protection

End.